

Hello CHOICE



**City of Arlington
Open Enrollment**

Patty Brown

Welcome

Why We're Here

Step 1: Learn about your options

Step 2: Consider your choices

Step 3: Enroll in a plan

Questions?

Why We're Here

- Effective December 31, 2013, City of Arlington group retiree health care plans will be discontinued for participants who are eligible for Medicare and age 65 and older.
- Effective January 1, 2014, City of Arlington will be offering individual health care plan choices to retirees who are eligible for Medicare and age 65 and older
- You and your eligible post-65 dependents may each enroll in individual health plan(s) that can meet your individual needs
- Plans can vary for you and your eligible dependents

About UnitedHealthcare

- **Meaningful choice** — We offer many types of Medicare plans and services that meet a wide variety of needs and interests without being overwhelming
- **Experience** — Honored to service almost 9 million* Medicare beneficiaries, with 25+ years of experience
- **National access** — Products available in all 50 states, with most plans available nationally
- **Trusted source** — Includes some of the most trusted names in the Medicare business

STEP 1:



**Learn About
Your Options**

Paying for Your Health Care Costs

City of Arlington eligibility requirements:

- **If you enroll an individual health plan through UnitedHealthcare the City of Arlington will:**
 - Continue to contribute toward the cost of your health care through a subsidy based upon your years of service (if you are eligible)
- **If you don't enroll by December 7, 2013**
 - You and your eligible dependents will not be eligible to receive the subsidy (if eligible)

How Your Subsidy Works

What is a Subsidy:

City of Arlington will continue to contribute towards the cost of your health care coverage.

This is done through a subsidy that will help pay the monthly plan premium(s) for the coverage you select.

Account Value:

The amount of your subsidy will be determined by the City of Arlington based upon years of service.

It is important to note that you will not receive premium refunds. If your premium is more than the subsidy amount, you will be billed directly for the remaining balance.

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How Your Subsidy Works

How Does Your Subsidy Arrangement Work:

Your Subsidy is automatic. There is nothing you need to do except enroll and identify yourself as a City of Arlington retiree.

Once you are enrolled in your new health City of Arlington will pay the subsidy directly to UnitedHealthcare (if you are eligible for a subsidy).

We will apply the subsidy to your monthly plan premium. You will then be billed by UnitedHealthcare for any premium amounts that are left over.

For example:

Your monthly plan premium is \$75. Your former employer or group plan sponsor pays \$50 directly to UnitedHealthcare. Then you pay the rest of the plan premium to UnitedHealthcare, which is \$25.

The ABCs of Medicare

Medicare Part A & B

Medicare Parts A & B are provided by the federal government. Medicare pays fees directly to doctors and hospitals you visit.



Medicare Part A
Hospital costs



Medicare Part B
Doctor and outpatient

ADD-ONS



Medicare Part D
Prescription drugs



Medicare Supplement Insurance Plans
Covers some or all of the costs not paid by Parts A and B.

Medicare Advantage (Part C)

Medicare Advantage Part C provides your Medicare Part A & B benefits through private companies like UnitedHealthcare.



Medicare Part C
Hospital costs,
doctor and outpatient

MAY BE INCLUDED



Medicare Part D
Prescription drugs



Additional Benefits
Wellness, vision and hearing services often included.



You must first be enrolled in Medicare Parts A & B to enroll in a Medicare Advantage, Medicare Part D or Medicare Supplement plan.



Medicare Supplement Insurance Plans

Medicare Supplement Insurance Plans



This is an insurance sales presentation to help understand

AARP® Medicare Supplement Insurance Plans

Welcome to today's presentation prepared
for retirees of City of Arlington.

The content in this presentation is
for retirees who reside in Texas.

The AARP Medicare Supplement Insurance Plans carry the AARP name and UnitedHealthcare pays a royalty fee to AARP for use of the AARP Intellectual property. Amounts paid are used for the general purposes of AARP and its members. Neither AARP nor its affiliate is the insurer.

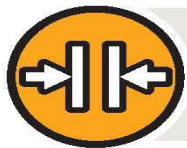
Not connected with or endorsed by the U.S. Government or the Federal Medicare Program.

Medicare Supplement Insurance Plans

What Is a Medicare Supplement Insurance Plan and How Does It Work with Medicare?

Here is an overview:

- Medicare supplement plans are policies sold by private health insurance companies
- The plans are standardized and benefit levels vary by plan
- Helps pay some costs Medicare doesn't pay, like co-insurance, co-payments and deductibles*
- Medicare only covers about 80% of Part B medical expenses. Medicare supplement plans help cover some of the remainder, about 20% or more of those costs
- Plans offer the freedom to go to any hospital or physician that accepts Medicare patients
- Plans are managed according to federal and state laws



Medicare supplement plans give you the freedom to go to any hospital or physician that accepts Medicare patients

** Depending on the plan selected*

Medicare Supplement Insurance Plans

How Medicare Supplement Plans Can Work with Medicare Part D

Medicare supplement plans by themselves do not cover prescription drug costs. If you wish to have this additional coverage, you'll need to purchase a Medicare Part D prescription drug plan.



Medicare Part D is a separate optional insurance that can help lower prescription drug costs

Medicare Supplement Insurance Plans

Who Is Eligible to Apply for an AARP® Medicare Supplement Plan?

To apply, you need to meet the following criteria:

- Enrolled in Medicare Parts A and B at the time your coverage begins (typically most individuals enroll in Medicare Parts A and B at age 65)
- Age 65 or older (or under age 65 with certain disabilities in some states)*
- Be a resident of the state in which you are applying for coverage
- Be a member of AARP



Not an AARP member?

You can apply for AARP membership when you apply for an AARP Medicare Supplement Plan.

* Note: AARP Medicare Supplement Insurance Plans may be available to Medicare beneficiaries under age 65 in some states.

Medicare Supplement Insurance Plans

Why Choose a Medicare Supplement Plan?

You'll enjoy the following features:

- Helps you manage out-of-pocket costs
- You have the freedom to choose any doctor who accepts Medicare patients
- Virtually no claim forms to file
- Your coverage goes with you if you travel or move anywhere in the U.S.
- Foreign Travel Emergency benefit is included for emergency services received outside of the United States* (with some plans)
- Coverage is guaranteed renewable as long as you pay your premium when due and no material misrepresentations have been made at the time of the application**



Medicare supplement plans give you the freedom to choose any doctor that accepts Medicare patients

* Care needed immediately because of an injury or an illness of sudden and unexpected onset.


** Your rate is subject to change. Any rate change will apply to all members of the same class insured under your Plan who reside in your state.

Medicare Supplement Insurance Plans

Information About Available AARP® Medicare Supplement Plans

All Medicare supplement plans let you choose your own doctors, specialists and hospitals that accept Medicare patients – there are no out-of-network restrictions.

 100% Coverage unless otherwise noted.

Benefits	A	B	C	F	K	L	N
Part A Co-insurance and Hospital Benefits							
Part A Deductible					50%	75%	
Part B Co-insurance or Co-payment					50%	75%	\$20/\$50*
Part B Deductible							
Part B Excess Charges**							

* Plan N pays 100% of the Part B co-insurance except up to \$20 co-payment for office visits and up to \$50 for emergency department visits that don't result in an inpatient admission.

** Not to exceed 15% over the Medicare approved amount or any other charge limitation established by the Medicare program or state law. Note that the limiting charge applies only to certain services and does not apply to some supplies and durable medical equipment.

Information is continued on the next slide.

Medicare Supplement Insurance Plans

Information About Available AARP® Medicare Supplement Plans

All Medicare supplement plans let you choose your own doctors, specialists and hospitals that accept Medicare patients – there are no out-of-network restrictions.

 100% Coverage unless otherwise noted.

Benefits	A	B	C	F	K	L	N
Blood - First Three Pints					50%	75%	
Foreign Travel Emergency (<i>Up to Plan Limits</i>)			80%	80%			80%
Hospice/Respite Care Co-insurance or Co-payment					50%	75%	
Skilled Nursing Facility Care Co-Insurance					50%	75%	

K

Plan K has a \$4,800 maximum out of pocket, indexed to Medicare

L

Plan L has a \$2,400 maximum out of pocket, indexed to Medicare



Medicare prescription drug plans (Part D)

Medicare Prescription Drug Plans (Part D)

- Help with prescription drug costs
- Works differently from Medicare Parts A and Part B. You can only get Medicare Part D through a private insurance company
- You must enroll in a Part D plan. Coverage is not automatic
- If you do not sign up for a Part D plan when you become eligible, you may have to pay a late-enrollment penalty
- You need to continue to pay your Part B premium

Prescription Drug Coverage Stages

INITIAL COVERAGE STAGE

During this stage you pay a flat fee (copay) or a percentage of a drug's total cost (coinsurance) for each prescription you fill. **The plan pays the rest until your total drug costs (paid by you and the plan) reach \$2,970.**



Initial
Up to \$2,850

COVERAGE GAP STAGE

During this stage you pay 47.5% of the total cost of brand-name drugs and 79% of the total cost of generic drugs. **Once your out-of-pocket costs reach \$4,750, you move to catastrophic coverage.**



Gap
Up 4,500

CATASTROPHIC COVERAGE STAGE

In this stage you pay only a small copay or coinsurance amount for each filled prescription. **The plan pays the rest until the end of the calendar year.**



Catastrophic
Through end of year

UnitedHealthcare Prescription Drug Plans

UnitedHealthcare Part D plans provide coverage for thousands of brand name and generic drugs.


In addition, UnitedHealthcare Part D plans offer:

- \$0 annual deductible, for many plans.
- A pharmacy network of more than 65,000 locations nationwide.
- Copays as low as \$2 with more than 14,600 pharmacies in the Preferred Pharmacy Network.*
- Mail order service that's convenient and may save you money

* Member may use any pharmacy in the network but may not receive Preferred Pharmacy pricing. Pharmacies in the Preferred Pharmacy Network may not be available in all areas. Copays apply after deductible.

Plans to Fit Your Needs (Texas)

	AARP® MedicareRx Saver Plus (PDP)	AARP® MedicareRx Preferred (PDP)	AARP® MedicareRx Enhanced (PDP)
At a Glance	Lowest premium, plus coverage for most commonly used generic drugs.	Good value with robust drug coverage.	Best coverage with a more extensive drug list.
Drug List	Includes most generic drugs covered by Medicare Part D and many commonly used brand-name drugs.	Includes nearly all generic drugs covered by Medicare Part D and most commonly used brand-name drugs.	Includes more than 95% of the drugs covered by Medicare Part D.
Annual Deductible	\$325	\$0	\$0
Monthly Premium	\$19.30	\$47.00	\$105.50
Tier 1 Copay	\$1	\$3	\$2
Tier 2 Copay	\$2	\$7	\$5
Tier 3 Copay	\$20	\$40	\$30
Tier 4 Copay	\$35	\$85	\$65
Tier 5 Coinsurance	25%	33%	33%
NEW Preferred Pharmacy Network	Copays as low as \$1 when you fill your prescription at a preferred pharmacy.	Copays as low as \$2 when you fill your prescription at a preferred pharmacy.	



Medicare Advantage plans (Part C)

Medicare Advantage Plans (Part C)



All the benefits of Part A*

- Hospital stays
- Skilled nursing
- Home health



All the benefits of Part B**

- Doctor's visits
- Outpatient care
- Screenings and shots
- Lab tests



Prescription drug coverage

- Included in many Medicare Advantage plans



Additional benefits

- May be bundled with the plan and could include vision, hearing, dental and/or wellness services.

*Plans do not cover hospice care. Hospice benefits for Medicare Advantage members continue to be provided through Medicare Part A.

**You will need to continue to pay your Part B premium.

A Closer Look at Medicare Advantage

Health Maintenance Organizations (HMOs)

- Use a network of doctors, hospitals and other health care professionals
- You must get routine care from one of our many plan providers
 - Typically do not provide coverage outside the contracted service area except for emergencies
 - Urgent care and renal dialysis are available out of network]

Point of Service (POS):

- A type of HMO that allows you to receive certain services outside the network, generally at a higher cost]

Preferred Provider Organizations (PPOs):

- You can go out of network for any covered services, generally at a higher cost
- Allow you to see a specialist without a referral]

AARP Medicare Complete Secure Horizons (HMO)

Zip code 76010	In-network	Out of Network
Monthly Premium	\$0	NA
Out of Pocket Maximum	\$3,900	Not a covered benefit
Primary Care Physician	\$ 0	Not a covered benefit
Specialist Office visit	\$25	Not a covered benefit
Inpatient Hospital	\$150 per day days 1-5 \$0 copay days 6-90	Not a covered benefit
Out-Patient Surgery	\$150	Not a covered benefit
Emergency – includes world wide coverage	\$65	\$65
Urgent Care	\$25 – \$40	\$25 -\$40
Pharmacy	\$1/\$8/\$45/\$95/33%	Not a covered benefit

Dental

Our dental plans may provide the coverage you need to help promote good dental health.¹

- Access to a large network of more than 182,000 dentists².
- 100% covered: In-network preventive care³ with no deductible or waiting period.
- 80% covered: Basic services, like cavity fillings, are covered after the initial 6-month waiting period and the deductible is met.
- 50% covered: Major services are covered after the initial 12-month waiting period and the deductible is met.

Note: You have a \$50 deductible per person each calendar year. However, the most you'll pay for covered expenses is \$150 for a family of 3 or more.

Drafting note: This dental benefit is not a part of a Medicare Advantage plan but is a state-approved product provided through UnitedHealthOne.

Vision

Vision coverage is optional and may be added to your dental plan.¹

- Our large vision care network includes about 33,000 private practice and retail chain providers.⁶
- You can use a non-network provider, but network providers may offer better discounts.

\$10 Copay:

Eye exam – once every 12 months.

\$25 Copay:

Frames⁴ – once every 24 months.

Lenses – once every 12 months.

Contacts⁵ (instead of glasses) – once every 12 months.

STEP 2:

Consider your choices

Choosing a Plan That's Right for You

Ask yourself:

- How often do you visit your doctor?
- Do you take prescription medications regularly? If so, what ones and what are their doses?
- Would you rather:
 - Pay a lower premium and copay for services as you use them or
 - Pay a higher premium and have little to no cost for services?
- Would you change doctors or providers if it meant you could save on your healthcare costs?
- Do you travel out of state? Out of the country?

Meet Mary



Mary is 70 years old:

- Likes to feel she is getting the most for her money
- Is in good shape but takes medication daily to manage her blood pressure
- Is proactive about her health care and sees her general practitioner regularly

Mary's wish list:

- Feel comfortable using a network of providers
- Access to a full range of health services, including preventive services
- Prefers to minimize her monthly premiums and instead pay copays or coinsurance for the services she uses
- Coverage that provides a safety net in case of serious illness
- Help paying for prescription drugs

Mary's choice:

- A Medicare Advantage (HMO) plan that includes prescription drug coverage

Meet Sara



Sara is 68 years old:

- Has a chronic condition and frequently visits specialists
- Takes several prescription drugs
- Enjoys traveling, especially to visit her family out of state
- She is financially comfortable

Sara's wish list:

- Freedom to choose any doctor who accepts Medicare and see a specialist without a referral
- Help paying for prescription drugs
- Prefers to pay monthly payments up front, so she can limit her out-of-pocket costs when she receives care

Sara chooses:

- Medicare Parts A and B
- A separate Part D prescription drug plan
- A Medicare supplement insurance plan

STEP 3:



Enroll in a plan

Do I need to enroll?

If you are enrolled in a AARP Medicare Supplement plan and do not want to make any changes, you do **not** need to re-enroll.

If you are enrolled in an AARP Medicare Supplement plan and want to make a plan change, then **yes**, you will need to enroll.

If you are enrolled in the Group RX plan, **yes**, you will need to call and enroll into an Individual RX plan.

If you are enrolled in the Group MAPD HMO plan, **yes**, you will need to call and enroll into the individual MAPD HMO plan or a Medicare Supplement plan and RX plan.

Who do I call?

Call 1-877-791-9964, TTY 711
8:00 am to 8:00 pm, 7 days a week

You will be greeted with the message:
Thank you for calling UnitedHealthcare Medicare
Solutions.

DO NOT press 3. (Your group plan is ending and you
will no longer be a group member as of January 1,
2014.)

Please hold for the next representative.

Identify yourself as a City of Arlington retiree.

Help is Just a Phone Call Away

Helpful hints before you enroll:

- Have your Medicare ID card on hand
- Think about how much you want to spend on your new plan(s)
- Have your doctors' names and addresses ready, and a list of your prescription drugs

Enroll in a Plan

Three easy ways to enroll in a plan:

1. Give us a call when you are ready and enroll over the phone
2. Give us a call and receive assistance in completing the enrollment form.
3. Mail in a completed application.

Once your enrollment is processed, you will receive a Welcome Kit with additional plan details. Your ID card will arrive separately.

We must receive your completed forms no later than December 7, 2013 for your coverage to begin on 01/01/2014.

In Closing

We hope you leave today feeling that you:

- 1** Learned about your options
- 2** Considered your choices
- 3** Understand how to enroll
- 4** Remember, December 7th is your enrollment deadline
- 5** January 1, 2014 is when your new health coverage begins and your group plan ends.



Thank you.